

## **SEC. 805. PERFORMANCE GOALS FOR PROCURING SERVICES PURSUANT TO MULTIPLE AWARD CONTRACTS.**

*(a) PERFORMANCE GOALS- Subsection (a) of section 802 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107-107; 115 Stat. 1178; 10 U.S.C. 2330 note) is amended to read as follows:*

*`(a) GOALS- (1) It shall be an objective of the Department of Defense to achieve efficiencies in procurements of services pursuant to multiple award contracts through the use of--*

*`(A) performance-based services contracting;*

*`(B) appropriate competition for task orders under services contracts;*

*`(C) program review, spending analyses, and improved management of services contracts.*

*`(2) In furtherance of such objective, the Department of Defense shall have the following goals:*

*`(A) To increase, as a percentage of all of the individual purchases of services made by or for the Department of Defense under multiple award contracts for a fiscal year (calculated on the basis of dollar value), the volume of the individual purchases of services that are made on a competitive basis and involve receipt of more than one offer from qualified contractors to a percentage as follows:*

*`(i) For fiscal year 2003, a percentage not less than 40 percent.*

*`(ii) For fiscal year 2004, a percentage not less than 50 percent.*

*`(iii) For fiscal year 2011, a percentage not less than 75 percent.*

*`(B) To increase, as a percentage of all of the individual purchases of services made by or for the Department of Defense under multiple award contracts for a fiscal year (calculated on the basis of dollar value), the use of performance-based purchasing specifying firm fixed prices for the specific tasks to be performed to a percentage as follows:*

*`(i) For fiscal year 2003, a percentage not less than 25 percent.*

*`(ii) For fiscal year 2004, a percentage not less than 35 percent.*

*`(iii) For fiscal year 2005, a percentage not less than 50 percent.*

*`(iv) For fiscal year 2011, a percentage not less than 70 percent.*

*`(3) The Secretary of Defense may adjust any percentage goal established in paragraph (2) if the Secretary determines in writing that such a goal is too high and cannot reasonably be achieved. In the event that the Secretary chooses to adjust such a goal, the Secretary shall--*

*`(A) establish a percentage goal that the Secretary determines would create an appropriate incentive for Department of Defense components to use competitive procedures or performance-based services contracting, as the case may be; and*

*`(B) submit to the congressional defense committees a report containing an explanation of the reasons for the Secretary's determination and a statement of the new goal that the Secretary has established.'.*

*(b) EXTENSION AND REVISION OF REPORTING REQUIREMENT- Subsection (b) of such section is amended--*

*(1) by striking 'March 1, 2006' and inserting 'March 1, 2011'; and*

*(2) by amending paragraph (5) to read as follows:*

*`(5) Regarding the individual purchases of services that were made by or for the Department of Defense under multiple award contracts in the fiscal year preceding*

*the fiscal year in which the report is required to be submitted, information (determined using the data collection system established under section 2330a of title 10, United States Code) as follows:*

*`(A) The percentage (calculated on the basis of dollar value) of such purchases that are purchases that were made on a competitive basis and involved receipt of more than one offer from qualified contractors.*

*`(B) The percentage (calculated on the basis of dollar value) of such purchases that are performance-based purchases specifying firm fixed prices for the specific tasks to be performed.'*

*(c) DEFINITIONS- Such section is further amended by adding at the end the following new subsection:*

*`(c) DEFINITIONS- (1) In this section, the terms `individual purchase' and `multiple award contract' have the meanings given such terms in section 803(c) of this Act.*

*`(2) For the purposes of this section, an individual purchase of services is made on a competitive basis only if it is made pursuant to procedures described in paragraphs (2), (3), and (4) of section 803(b) of this Act.'*

*(d) CONFORMING AMENDMENT- The heading for such section is amended by striking **'SAVINGS GOALS'** and inserting **'PERFORMANCE GOALS'**.*